



**U.S. Department of Justice**

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**EVENT: Guilty Plea**

**Defendant: Nemr Ali Rahal**

### **DEARBORN RESIDENTS PLEAD GUILTY TO BANK FRAUD**

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Nemr Ali Rahal, a 41-year-old resident of Dearborn, Michigan, pleaded guilty to aiding and abetting bank fraud, United States Attorney Stephen J. Murphy announced today. On January 3, 2006, Rahal's wife, Rania Fawaz Rahal, 24, previously also pleaded guilty to conspiring with her husband to commit bank fraud and credit fraud. Murphy was joined in the announcement by Daniel Roberts, Special Agent in Charge of the Federal Bureau of Investigation, Detroit Division.

U.S. District Judge Arthur J. Tarnow accepted the guilty pleas from both defendants, and took their plea agreements under advisement. Under the agreements, Nemr Rahal faces up to 41 months in custody, 5 years of supervised release, a \$75,000 fine, forfeiture of real and personal property, and a money judgment of \$453,594, and restitution. Rania Fawaz Rahal faces a maximum of 12 months in custody and 3 years of supervised release, as well as fines and orders of forfeiture and restitution.

The couple admitted at their pleas that they obtained over \$500,000 from banks through mortgage fraud and “bust out” credit fraud schemes between 2000 and 2005. According to documents filed in the case, the Rahals falsified their residency, employment and income information to obtain mortgages totaling over \$200,000 on houses at 7515 Freda and 5479 Argyle in Dearborn. They also "busted out" Nemr Rahal's own credit by using false information on credit applications and obtaining over 50 credit cards, then systematically kiting worthless checks between the 50 credit accounts to falsely inflate the available balances, and drawing out the money with cash advances before the checks were dishonored.

U.S. Attorney Murphy said, “This type of serious fraud threatens the integrity of our mortgage lending institutions and also makes consumers suffer from higher interest rates when banks issuing credit cards have to deal with large scale losses. We will do our utmost to fight against and prosecute such fraudulent activity.”

Judge Tarnow has scheduled Nemr Rahal's sentencing for April 26, 2006, and Rania Fawaz Rahal's sentencing for April 4, 2006

The investigation of this case has been conducted by the Federal Bureau of Investigation. The case has been prosecuted by Assistant U.S. Attorneys Cynthia Oberg and Rita Foley.